DATE: TUESDAY, JUNE 19, 2007

JUDGE: HONORABLE BERT I. AYABE, JUDGE PRESIDING

CLERK:

REPORTER:

BAILIFF/LAW CLERK: C. ABE

10:00 A.M.

1CC 02-1-000090 KELLEY WOODRUFF MD ARLEEN DOROTHY JOUXS
VS. RAFAEL GOODWIN DEL C
HAWAI'I PACIFIC HEALTH ETAL FOR KELLEY WOODRUFF

ARLEEN DOROTHY JOUXSON RAFAEL GOODWIN DEL CASTIL

KENNETH S ROBBINS LEIGHTON MASATO HARA WENDY MASAKO YAMAMOTO CHARLES ROBERT CHING PATRICK HUDSON JONES FOR KAPIOLANI MEDICAL SP

JOHN T KOMEIJI KAREN YUKIE ARIKAWA GREGG MINORU USHIRODA FOR DELOITTE & TOUCHE LL

JOHN S NISHIMOTO MICHAEL JOHN VAN DYKE FOR DENNIS M WARREN

1) DEFT DELOITTE & TOUCHE LLP'S M/SUMMARY JDGMT AS TO ALL REMAINING CTS OF THE 2ND AMENDED COMPLAINT FLD ON FEBRUARY 17, 2005, OR ALTERNATIVELY, TO

ENFORCE STIPULATION TO DISMISS (MVT: K. ARIKAWA)

2) DEFTS HI PACIFIC HEALTH, KAPIOLANI MEDICAL SPECIALISTS, KAPIOLANI MEDICAL CENTER FOR WOMEN & CHILDREN, ROGER DRUE, FRANCES HALLONQUIST, NEAL

WINN & SHERREL HAMMAR'S MOTION FOR PARTIAL SUMMARY JUDGMENT (MVT: K. ROBBINS)

10:14:29-11:20:30 A.M. CT CLK: P. TAKEUCHI APPEARANCES: RAFAEL DEL CASTILLO/ARLEEN JOUXSON F/PLTFS

KAREN ARIKAWA F/DEFT DELOITTE & TOUCHE

Exhibit "A"

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KENNETH ROBBINS/ANDERSON MEYER F/DEFTS HI PACIFIC HEALTH, KMS, KMCWC, DRUE, HALLONQUIST, WINN & HAMMAR

COURT ADDRESSED < DEFT DELOITTE & TOUCHE MSJ AS TO ALL REMAINING CTS OF THE 2ND AM. COMPLAINT, ETC.> FIRST.

FOR GOOD CAUSE SHOWN ON THE RECORD, THE MOTION WILL BE GRANTED. COURT WILL DENY THE MOTION FOR FEES AND COSTS.

COURT NOTED THAT DELOITTE & TOUCHE, AS WELL AS DENNIS WARREN ARE OUT OF THE CASE.

MS. ARIKAWA WILL WITHDRAW ALL PENDING MOTIONS B/F THE COURT WITHOUT PREJUDICE.

MS. ARIKAWA TO PREPARE THE ORDER FOR THIS MORNING'S MOTION.

AS FOR THE 2ND MTN < DEFTS HI PACIFIC HEALTH, ETC. MOTION FOR PARTIAL SJ>, AFTER HEARING ARGUMENTS OF COUNSEL, COURT TOOK THE MATTER UNDER ADVISEMENT.

HEARING CONCLUDED.

\*\*\*\*\*\*MINUTE ORDER <7/6/07>\*\*\*\*\*

BASED ON THE MEMORANDA SUBMITTED, THE RECORD AND FILES IN THIS CASE AND FOR GOOD CAUSE SHOWN, THE COURT GRANTS IN PART AND DENIES IN PART DEFENDANTS HAWAII PACIFIC HEALTH, KAPIOLANI MEDICAL SPECIALISTS, KAPIOLANI MEDICAL CENTER FOR WOMEN AND CHILDREN, ROGER DRUE, FRANCES A. HALLONQUIST, NEAL WINN, M.D. AND SHERREL HAMMAR, M.D.'S MOTION FOR PARTIAL SUMMARY JUDGMENT, FILED ON MAY 11, 2007.

AS TO COUNT VIII (VIOLATION OF DUE PROCESS), THE COURT FINDS THAT THERE ARE NO GENUINE ISSUES OF MATERIAL FACT THAT DR. WOODRUFF DID NOT HAVE AN EMPLOYMENT CONTRACT WITH KMS EXPRESSLY INCORPORATING THE KMCWC MEDICAL STAFF BYLAWS. THEREFORE, THE COURT GRANTS THE MOTION WITH RESPECT TO COUNT VIII FOR KMS. THE COURT, HOWEVER, DENIES THE MOTION WITHOUT PREJUDICE AS IT PERTAINS TO KAPIOLANI MEDICAL CENTER FOR WOMEN AND CHILDREN (KMCWC), AS ITS APPLICATION TO KMCWC WAS

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NOT ADDRESSED IN THE MOTION.

AS TO COUNT IX (DEFAMATION), THE COURT FINDS \*\*\*\*\*CONTINUATION ON PHASE A\*\*\*\*

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\*\*\*\*CONTINUATION OF 6/19/07 MINUTES\*\*\*\*

THAT THERE ARE NO GENUINE ISSUES OF MATERIAL FACT THAT THE STATEMENTS MADE BY DR. WINN AND DR. HAMMAR WERE NOT FALSE. ADDITIONALLY, HPH HAD A QUALIFIED PRIVILEGE, AS THEY HAD A DUTY TO DISCUSS THE RESULTS OF THE D&T INVESTIGATION WITH OTHERS WHO WORKED FOR OR WORKED WITH KAPIOLANI IN ORDER TO ENSURE CORPORATE COMPLIANCE WITH THE BILLING REQUIREMENTS PURSUANT TO THE CORPORATE INTEGRITY AGREEMENT. THE COURT FURTHER FINDS THAT THE PRIVILEGE WAS NOT ABUSED. THEREFORE, THE COURT GRANTS HPH'S MOTION WITH RESPECT TO COUNT IX.

AS TO COUNT X (RETALIATORY DISCHARGE), THE COURT FINDS THAT 18 USCS 1513(E), AS CITED BY PLTFS, IS INAPPLICABLE TO THIS CASE. IN ADDITION, PLTFS FAILED TO IDENTIFY ANY CONSTITUTIONAL, STATUTORY OR REGULATORY PROVISION OR SCHEME THAT FORMS THE

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BASIS FOR THE CLEAR MANDATE OF PUBLIC POLICY IN PARNAR V. AMERICANA HOTELS, INC., 65 HAW. 370, 652 P.2D 625 (1982). THEREFORE, THE COURT GRANTS THE MOTION AS TO COUNT X.

AS TO COUNT XI (PROMISSORY ESTOPPEL), THE COURT FINDS THAT THIS CLAIM IS BASED ON THE SAME SET OF FACTS THAT GAVE RISE TO THE BREACH OF CONTRACT CLAIM. THEREFORE, THE COURT GRANTS THE MOTION AS TO COUNT XI.

AS TO COUNT XII (BREACH OF CONTRACT), THE COURT FINDS THAT THERE ARE NO GENUINE ISSUES OF MATERIAL FACT THAT DR. WOODRUFF WAS AN "AT WILL" EMPLOYEE OF KAPIOLANI MEDICAL SPECIALISTS (KMS), AS HER EMPLOYMENT WAS FOR AN INDEFINITE DURATION. ADDITION, DR. WOODRUFF REPEATEDLY ACKNOWLEDGED HER "AT WILL" STATUS IN VARIOUS KMS DOCUMENTS THAT SHE SIGNED, SUCH AS HER EMPLOYMENT APPLICATION, EMPLOYMENT AGREEMENT AND HANDBOOK ACKNOWLEDGEMENT FORMS. THE EMPLOYMENT APPLICATION WHICH DR. WOODRUFF SIGNED ON 8/28/97 SPECIFICALLY PROVIDED, 'I UNDERSTAND THAT IF I AM EMPLOYED, MY EMPLOYMENT IS "AT WILL" AND CAN BE TERMINATED AT ANY TIME, EITHER BY MYSELF OR KAPI'OLANI HEALTH, WITH OR WITHOUT CAUSE OR REASON.' HER EMPLOYMENT AGREEMENT PROVIDED, 'I UNDERSTAND THAT EMPLOYMENT IS ON AN "AT WILL" BASIS.' THE COURT FURTHER FINDS THAT NONE OF THE EXCEPTIONS TO THE "AT WILL" DOCTRINE APPLY IN THIS CASE. THEREFORE, THE COURT GRANTS THE MOTION WITH RESPECT TO COUNT XII FOR KMS. THE COURT, HOWEVER, DENIES HPH DEFTS' MOTION WITHOUT PREJUDICE AS TO COUNT XII WITH RESPECT TO \*\*\*\*CONTINUATION ON PHASE B\*\*\*\*

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\*\*\*\*CONTINUATION OF 6/19/07 MINUTES\*\*\*\*

KMCWC, AS THE ISSUE, AS IT PERTAINS TO KMCWC, WAS NOT ADDRESSED IN THE MOTION.

AS TO COUNT XIII (BREACH OF IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING), THE COURT FINDS THAT THERE ARE NO GENUINE ISSUES OF MATERIAL FACT THAT DR. WOODRUFF DID NOT HAVE AN EMPLOYMENT CONTRACT WITH KMS EXPRESSLY INCORPORATING THE KMCWC MEDICAL STAFF BYLAWS. IN ADDITION, PURSUANT TO PARNAR, HAWAII DOES NOT RECOGNIZE THE DUTY OF AN EMPLOYER TO TERMINATE IN GOOD FAITH. THEREFORE, THE COURT GRANTS HPH'S MOTION AS TO COUNT XIII.

AS TO COUNT XIV (TORTIOUS INTERFERENCE WITH ECONOMIC ADVANTAGE), THE COURT DENIES THE MOTION WITHOUT PREJUDICE, AS DUE TO THE LATE SUBMISSION BY PLAINTIFFS OF THE DECLARATION OF KELLEY WOODRUFF, M.D., FILED ON JUNE 14, 2007 UNDER SEAL,

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HPH WAS NOT ABLE TO FULLY ADDRESS PLAINTIFF'S CONTENTIONS.

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AS TO COUNT XV (PRIMA FACIE TORT), THE COURT GRANTS HPH'S MOTION.

MR. ROBBINS TO PREPARE THE ORDER.

A COPY OF THIS MINUTE ORDER OF 07/06/07 WAS MAILED TO RAFAEL DEL CASTILLO/ARLEEN JOUXSON, KAREN ARIKAWA AND KENNETH ROBBINS/ANDERSON MEYER BY U.S. MAIL, POSTAGE PREPAID.